



WAYNE COUNTY RETIREE SUB-CHAPTER 38

WE MAKE MICHIGAN HAPPEN

Ronald Yee
President

March 14, 2023

Douglas Wadlin
Vice-President

EXECUTIVE BOARD MEETING

Richard Noelke
Secretary Treasurer

The meeting was called to order at 11:30 AM by President Yee and was opened with the Pledge of Allegiance

Mary Etta Kreklau
Recording Secretary

PRESENT: Bauman, Cairgle, Hyde-Shelton, Kreklau, McCall, Noelke, Pendracki, Smith, Sockolosky, Wadlin, and Yee

Faith Cairgle
Sergeant-At-Arms

EXCUSED: None

John McCall
James Sockolosky
Julie Bauman
Executive Board

ABSENT: None

GUEST: Macdonald

Pamela Hyde-Shelton
Paul Pendracki
Jerry Smith
Trustees

ROLL CALL OF OFFICERS: Brother Pendracki made the motion, properly supported by Brother Wadlin, to accept the roll call of officers. The motion carried.

Sub-Chapter 38 minutes for the Executive and Membership meetings are recorded to help the Recording Secretary to produce minutes for each meeting. Pursuant to the previous direction of the membership, these recordings shall be disposed of as soon as reasonably possible after the Sub-chapter 38 membership has approved the minutes. The minutes are not or intended to be an actual verbatim record of the proceedings but are summarized notes of the agenda items, motions, makers of the motion, votes, and lengthy discussions.

CORRESPONDENCE:

- MIARA – February 2023 Newsletter with an article regarding the pending legislation in the State regarding labor
- MIARA - Notice of the 2nd Quarterly meeting on Wednesday April 12, 2023, 10 am at the MEA Building, 1216 Kendale Blvd., Rooms A,B,C, East Lansing, MI
- Council 25 - E-mail from Steve Rzeppa regarding Right to Work legislation meetings on Tuesday, March 14th, at the State Capital Building, at 7:30 am and at 10:00 am same day. First meeting is the House vote on the repeal of the Right to Work and the 10 am meeting is the Senate vote on the legislation. He is asking for support at these events.

Motion by Brother Pendracki properly supported by Sister Bauman to receive and file the correspondence. The motion carried.

READING OF MINUTES:

Motion by Brother Pendracki, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Executive Board meeting of February 14, 2023, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried.

Motion by Brother Pendracki, properly supported by Sister Bauman, to waive the reading and approve the minutes of the Membership meeting of February 14, 2023, leaving the record open to the end of the meeting for corrections, additions, or deletions. The motion carried

REPORT OF OFFICERS

PRESIDENT:

On Tuesday, March 7, Governor Whitmer signed the Michigan Tax relief bill (HB4001), however it was denied taking immediate effect by Republicans and so will not be effective until the 2024 tax year (90 days after adjournment of the current session); so April of 2024. What I have been told is that under the House Bill that was approved by both the Michigan House and the Senate, the following phase-in is described in the legislation:

2023	Retirees born after 1945-1959	25% max allowed under Tier 1
2024	Retirees born after 1945-1963	50% max allowed under Tier 1
2025	Retirees born after 1945-1967	75% max allowed under Tier 1
2026		100% max allowed under Tier 1

Current Tier 1 maximums: Single: \$56,961
 Joint: \$113,922

Under the current law:

Taxpayers born from 1/1/1946 – 12/31/1952, the deduction is \$20,000 for Single and \$40,000 for Married filing joint

Taxpayers born from 1/1/1953 – 1/1/1956 may be eligible for up to \$20,000 for Single and \$40,000 for married filing jointly.

If the amount you can deduct under current law is better than under the new law, you can use the one that provides the better deduction.

Also, it is my understanding that since the new law won't take effect until 2024, the first year, 2023, rate becomes null and void and we will start with a 50% deduction of the tier 1 rates.

Police, Fire, County Correction Officers and State Police will get 100% in the first year.

The County Commission is looking at changing pay and benefits for active employee hiring and retention; and we are hoping they will consider an increase in the stipend for Medicare eligible retirees.

We are continuing to work with TMR Associates, BCBSM and the County on offering a stipend and the BCBSM Medicare Advantage Plan as an option to mirrored retirees over age 65 and for a lower cost benefit with the same or better healthcare coverage for non-Medicare eligible mirrored retirees. This is a harder issue to come to agreement with as it will require the County, the Unions and BCBSM to agree to a resolution that is beneficial to all parties.

MERS has been notifying stipend recipients that have a balance of over \$1,000 in their stipend account that they are eligible to invest amounts over \$1,000 into various funds offered by MERS. You are not required to invest in these funds if you don't want to, it is just an option. The first \$1,000 goes into a money market fund automatically. Anything over \$1,000 goes into a target date fund but can move to short-term income fund. MERS is looking at changing/adding the money market fund to its investment options.

Motion by Brother Pendracki, properly supported by Brother Wadlin, to accept the President's report as given.

VICE-PRESIDENT – No report since I wasn't here last month.

Motion by Brother Pendracki, properly supported by Sister Bauman, to accept the Vice-President's statement as presented. The motion carried

SECRETARY-TREASURER:

Financial Report:

The financial report was presented by Brother Noelke, Treasurer. The Sub-Chapter has \$227,529.11 in cash and investments as of February 28, 2023. There are 1,219 current members with 183 participating in the PEOPLE Plan and (24) members lost this year.

Motion by Brother Pendracki, properly supported by Brother Wadlin to accept the Treasurer report for February 2023 as presented. The motion carried.

Motion by Brother Pendracki, properly supported by Brother Wadlin, to authorize the signature and submission of the Federal Income Tax, Form 990ES, for Sub-Chapter 38; the AFSCME International Forms, the local Union Annual Financial Report; and the 2022 Surety Bond Report for the Sub-chapter officers' Surety Bond. The motion carried.

Brother Macdonald's Report:

HEALTH CARE INSURANCE SETTLEMENT (STIPENDS)

As reported many times, the arbitration case contesting the Wayne County discontinuance of health care insurance coverage for disability with an award stating that **"The County violated the collective bargaining agreement when it made changes to healthcare benefits for newly approved duty and nonduty disability retirees. The County must rescind Administrative**

Personnel Order 1-2010 and make whole the duty or nonduty disability retiree who was improperly denied healthcare benefits after 2010 by virtue of the fact that they did not meet the age and service requirements for “normal” retirement.” The award only applies to AFSCME disability retirees who retired after the personnel order was issued.

In spite of the fact that the arbitrator and the courts have repeatedly ruled against Wayne County, the County is still considering more appeals. The encouraging sign is that the county has set down with the Council 25 attorney to discuss a resolution. Wayne County did not offer a “make whole plan” but bought up topics like the need for a list of those retirees involved, open enrollment, a third party moderator of the retiree out-of-pocket claims and other delaying tactics. Subsequent meetings have yet to establish a list of impacted retirees. The Sub-Chapter continues to respond to questions from our attorney. As a last resort, going back to Judge Hubbard may be necessary.

HEALTH CARE INSURANCE SETTLEMENT (STIPENDS)

The payments by Wayne County of non-Medicare eligible stipends are consistent with the settlement agreement through the payment due March 1, 2023. Wayne County is providing monthly reports of stipend amounts transferred to MERS/Alerus. The Sub-Chapter continues to assist members on stipend issues that are, generally, quickly resolved. The Sub-Chapter resolved four (4) such matters during February.

There will be a report issued on all balances in accounts over \$1,000.

Motion by Brother Pendracki, properly supported by Sister Bauman, to accept the report as presented. The motion carried.

COMMITTEE REPORTS: None

UNFINISHED BUSINESS: None

NEW BUSINESS: None

GOOD AND WELFARE:

There was a moment of silence for deceased members.

ADJOURNMENT

Motion by Brother Pendracki properly supported by Sister Bauman, to adjourn the meeting at 11:55 a.m. The motion carried.